

CHAPTER NO. 205**HOUSE BILL NO. 1473****By Representative Briley****Substituted for: Senate Bill No. 1149****By Senator Haynes**

AN ACT to amend Tennessee Code Annotated, Section 7-86-108, relative to emergency telephone service charges.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-86-108(a)(1)(B)(iii), is amended by deleting the subdivision in its entirety and by substituting instead the following language:

(iii) For customers who are billed retrospectively (standard customers), commercial mobile radio service (CMRS) providers shall collect the service charge on behalf of the board as part of their monthly billing process and as a separate line item within that billing process.

(iv) The service charge shall also be imposed upon customers who pay for service prospectively (prepaid customers). CMRS providers shall remit to the board the service charge under one of two methods:

(a) The CMRS provider shall collect, on a monthly basis, the service charge from each active prepaid customer whose account balance is equal to or greater than the amount of the service charge; or

(b) The CMRS provider shall divide the total earned prepaid wireless telephone revenue received by the CMRS provider within the monthly 911 reporting period by fifty dollars (\$50), and multiply the quotient by the service charge amount.

(v) The service charges imposed under this subsection shall not be subject to taxes or charges levied on or by the CMRS provider, nor shall such service charges be considered revenue of the CMRS provider for any purposes. Collection of the wireless 911 surcharge shall not reduce the sales price for purposes of taxes which are collected at point of sale.

SECTION 2. Tennessee Code Annotated, Section 7-86-108, is amended by adding the following language as a new subsection (f):

(f) Notwithstanding the provisions of §7-86-303(d)(1), the board may withhold such distribution to an emergency communications district if the district is operating in, or fails to correct a specific violation of state law. This may include, but not be limited to, the failure to submit an annual budget or audit, operating contrary to the requirements of Tennessee Code Annotated, Title 8, Chapter 44, Part 1, or failure to comply with any part or parts required by this chapter. Further, the board may also withhold such

distribution if it deems that the district is not taking sufficient actions or acting in good faith to establish, maintain or advance wireline or wireless E-911 service for the citizens of an emergency communications district.

SECTION 3. Section 1 of this act shall take effect on October 1, 2003, the public welfare requiring it. Section 2 of this act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 15, 2003



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES



JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 29th day of May 2003



PHIL BREDESEN, GOVERNOR